

COMBINING STATEMENT OF CASH FLOWS
INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2007
(In Thousands)

	CORRECTIONAL INDUSTRIES REVOLVING FUND	MOTOR TRANSPORT FUND	OFFICE SERVICES REVOLVING FUND
CASH FLOWS FROM OPERATING ACTIVITIES			
Receipts from customers	\$ 45,496	\$ 53,458	\$ 103,087
Payments to employees	(16,102)	(3,026)	(12,380)
Payments to suppliers	(21,274)	(49,688)	(87,885)
Claims paid	-	-	-
Other payments	(7,959)	246	-
Net cash provided (used) by operating activities	\$ 162	\$ 990	\$ 2,822
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES			
Loans or loan repayments from other funds	\$ 393	\$ -	\$ 8,605
Loans or loan repayments to other funds	198	(291)	(7,956)
Transfers to other funds	-	(27)	(111)
Net cash provided (used) by noncapital financing activities	\$ 591	\$ (319)	\$ 538
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES			
Acquisition and construction of capital assets	\$ (198)	\$ (183)	\$ (2,189)
Interest paid	(393)	-	-
Capital lease payments (including imputed interest expense)	-	-	(1,057)
Proceeds from sale of capital assets	-	104	5
Net cash provided (used) by capital and related financing activities	\$ (591)	\$ (79)	\$ (3,241)
Net cash provided (used) - all activities	\$ 162	\$ 593	\$ 119
Cash and cash equivalents at beginning of year	(321)	3	354
Cash and cash equivalents at end of year	\$ (159)	\$ 595	\$ 472
RECONCILIATION OF CASH AND CASH EQUIVALENTS			
Per Statement of Net Assets Classifications:			
Cash	\$ -	\$ -	\$ -
Equity in common cash	-	603	488
Warrants outstanding	(159)	(7)	(16)
Cash and cash equivalents at end of year	<u>\$ (159)</u>	<u>\$ 595</u>	<u>\$ 472</u>
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES			
Operating income (loss)	\$ 760	\$ (1,911)	\$ 154
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:			
Depreciation expense	1,480	219	1,489
Net Changes in Assets and Liabilities:			
Inventories	(758)	(9)	(458)
Other assets (net)	(17)	3,133	2,630
Accounts payable and other liabilities	(1,303)	(442)	(993)
Net cash provided (used) by operating activities	<u>\$ 162</u>	<u>\$ 990</u>	<u>\$ 2,822</u>
SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES			
Cost of capital assets acquisitions financed by capital leases	\$ -	\$ -	\$ -
Capital lease liabilities entered into during the year	-	-	-
Gain (loss) on disposal of capital assets	(15)	-	(21)
Total noncash investing, capital, and financing activities	<u>\$ (15)</u>	<u>\$ -</u>	<u>\$ (21)</u>

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INTERNAL SERVICE FUNDS
FISCAL YEAR ENDED SEPTEMBER 30, 2007
(In Thousands)

	INFORMATION TECHNOLOGY FUND	RISK MANAGEMENT FUND	STATE SPONSORED GROUP INSURANCE FUND	TOTALS
CASH FLOWS FROM OPERATING ACTIVITIES				
Receipts from customers	\$ 452,602	\$ 2,706	\$ 1,110,936	\$ 1,768,285
Payments to employees	(165,711)	(795)	-	(198,012)
Payments to suppliers	(260,327)	(1,746)	(302,689)	(723,609)
Claims paid	-	(2,537)	(816,702)	(819,239)
Other payments	-	-	-	(7,712)
Net cash provided (used) by operating activities	\$ 26,564	\$ (2,371)	\$ (8,455)	\$ 19,712
CASH FLOWS FROM NONCAPITAL FINANCING ACTIVITIES				
Loans or loan repayments from other funds	\$ 3,022	\$ -	\$ (8,605)	\$ 3,415
Loans or loan repayments to other funds	-	(1,415)	8,247	(1,217)
Transfers to other funds	(1,154)	(14)	-	(1,307)
Net cash provided (used) by noncapital financing activities	\$ 1,868	\$ (1,429)	\$ (358)	\$ 891
CASH FLOWS FROM CAPITAL AND RELATED FINANCING ACTIVITIES				
Acquisition and construction of capital assets	(33,426)	\$ -	\$ -	\$ (35,995)
Interest paid	-	-	-	(393)
Capital lease payments (including imputed interest expense)	(6,724)	-	-	(7,781)
Proceeds from sale of capital assets	-	-	-	109
Net cash provided (used) by capital and related financing activities	\$ (40,150)	\$ -	\$ -	\$ (44,060)
Net cash provided (used) - all activities	\$ (11,718)	\$ (3,800)	\$ (8,813)	\$ (23,457)
Cash and cash equivalents at beginning of year	34,603	9,136	193,273	237,047
Cash and cash equivalents at end of year	\$ 22,885	\$ 5,336	\$ 184,460	\$ 213,590
RECONCILIATION OF CASH AND CASH EQUIVALENTS				
Per Statement of Net Assets Classifications:				
Cash	\$ -	\$ -	\$ 13	\$ 13
Equity in common cash	23,632	5,336	184,599	214,657
Warrants outstanding	(747)	-	(152)	(1,081)
Cash and cash equivalents at end of year	\$ 22,885	\$ 5,336	\$ 184,460	\$ 213,590
RECONCILIATION OF OPERATING INCOME (LOSS) TO NET CASH PROVIDED (USED) BY OPERATING ACTIVITIES				
Operating income (loss)	\$ (14,606)	\$ (1,869)	\$ (12,041)	\$ (29,512)
Adjustments to Reconcile Operating Income to Net Cash Provided (Used) by Operating Activities:				
Depreciation expense	45,260	-	-	48,447
Net Changes in Assets and Liabilities:				
Inventories	11	-	-	(1,214)
Other assets (net)	3,492	-	5,802	15,041
Accounts payable and other liabilities	(7,593)	(502)	(2,216)	(13,050)
Net cash provided (used) by operating activities	\$ 26,564	\$ (2,371)	\$ (8,455)	\$ 19,712
SCHEDULE OF NONCASH INVESTING, CAPITAL, AND FINANCING ACTIVITIES				
Cost of capital assets acquisitions financed by capital leases	\$ 3,450	\$ -	\$ -	\$ 3,450
Capital lease liabilities entered into during the year	(3,450)	-	-	(3,450)
Gain (loss) on disposal of capital assets	-	-	-	(36)
Total noncash investing, capital, and financing activities	\$ -	\$ -	\$ -	\$ (36)